S. HRG. 98-1059

NOMINATIONS OF ROBERT S. COOPER, JAMES P. WADE, JR., EVERETT PYATT, CHARLES G. UNTERMEYER, DONALD C. LATHAM, AND ROBERT W. HELM

HEARING

BEFORE THE

COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

NINETY-EIGHTH CONGRESS

SECOND SESSION

ON

NOMINATIONS OF

ROBERT S. COOPER TO BE ASSISTANT SECRETARY OF DEFENSE FOR RESEARCH AND TECHNOLOGY

JAMES P. WADE, JR., TO BE ASSISTANT SECRETARY OF DEFENSE FOR DEVELOPMENT AND SUPPORT

EVERETT PYATT TO BE ASSISTANT SECRETARY OF THE NAVY FOR SHIPBUILDING AND LOGISTICS

CHARLES G. UNTERMEYER TO BE ASSISTANT SECRETARY OF THE NAVY FOR MANPOWER AND RESERVE AFFAIRS

DONALD C. LATHAM TO BE ASSISTANT SECRETARY OF DEFENSE FOR COMMAND, CONTROL, COMMUNICATIONS, AND INTELLIGENCE

ROBERT W. HELM TO BE ASSISTANT SECRETARY OF DEFENSE (COMPTROLLER)

JULY 31, 1984

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CONTENTS

CHRONOLOGICAL LIST OF WITNESSES

	Page
Cooper, Dr. Robert S	4
Helm, Robert W	5
Latham, Donald C	6
Wade, Dr. James Paul	8
Domenici, Hon. Pete V., U.S. Senator from the State of New Mexico	9
Warner, Hon. John W., U.S. Senator from the State of Virginia	15
Hidalgo, Edward, former Secretary of the Navy	17
Pyatt, Everett	19
Untermeyer, Charles G	21

NOMINATIONS OF ROBERT S. COOPER, JAMES PAUL WADE, JR., EVERETT PYATT, CHARLES G. UNTERMEYER, DONALD C. LATHAM, AND ROBERT W. HELM

TUESDAY, JULY 31, 1984

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

The committee met, pursuant to notice, at 10 a.m., in room SR–222, Russell Senate Office Building, Senator Barry Goldwater presiding.

Present: Senators Goldwater, Thurmond, Warner, Nunn, Stennis, Exon, and Levin.

Staff present: Alan R. Yuspeh, general counsel; Arnold L. Punaro, staff director for the minority; Jeffrey H. Smith, minority counsel; Christine C. Dauth, chief clerk; L. Wayne Arny III, William E. Hoehn, Jr., George K. Johnson, Jr., David S. Lyles, José E. Martinez, Carl M. Smith, John G. Campbell, and John J. Hamre, professional staff members; Patricia L. Watson, research assistant; Marie Chaillet and Pamela G. Powell, staff assistants.

Also present: Gerald J. Smith, assistant to Senator Goldwater; Les Brownlee, assistant to Senator Warner; Bernard R. Toon, assistant to Senator Quayle; Mark J. Albrecht, assistant to Senator Wilson; Francis J. Sullivan, assistant to Senator Stennis; Jeffrey B. Subko, assistant to Senator Exon; Peter D. Lennon, assistant to Senator Levin; James Steinberg, assistant to Senator Kennedy; Edward McGaffigan, Jr., assistant to Senator Bingaman; Charles C. Smith, assistant to Senator Dixon; and Linda Gustitus, assisting Senator Levin.

OPENING STATEMENT BY SENATOR BARRY GOLDWATER, PRESIDING

Senator GOLDWATER. The meeting will come to order.

The committee meets today to consider the nomination of four individuals to be Assistant Secretaries of the Defense and two individuals to be Assistant Secretaries of the Navy.

Appearing first before the committee are four nominees as follows:

Dr. Robert S. Cooper to be Assistant Secretary of Defense for Research and Technology.

Mr. Robert W. Helm to be Assistant Secretary of Defense (Comptroller).

Mr. Donald C. Latham to be Assistant Secretary of Defense for Command Control, Communications, and Intelligence.

Dr. James Paul Wade, Jr., to be Assistant Secretary of Defense for Development and Support.

Dr. Cooper is presently serving as the Director of the Defense Advanced Research Projects Agency.

Mr. Latham is presently serving as the Deputy Under Secretary of Defense for C^3I.

Dr. Wade is presently serving as the Principal Deputy Under Secretary of Defense for Research and Engineering.

Mr. Helm is presently serving as a member of the staff of the National Security Council.

At this time, I would like to indicate that the staff of the committee has met with each of the nominees in order to ensure that their financial holdings do not create any conflict of interest with their responsibilities.

Without objection, the prepared statement by Senator Sam Nunn will be inserted in the hearing record at this point.

[The prepared statement of Senator Nunn follows:]

PREPARED STATEMENT OF SENATOR NUNN

Mr. Chairman, I want to join you in welcoming the nominees and their families here this morning.

I am especially pleased that we are considering for the first time a nominee for the position of Assistant Secretary of Defense for Command, Control, Communications and Intelligence (C^3I). This position was first suggested many years ago by General Richard Ellis, then the Commander of the Strategic Air Command. General Ellis felt, and I agreed with him, that there was a need for a more coordinated and coherent approach to C^3I problems and that an Assistant Secretary would also bring a much needed high level focus to this overall area. I am hopeful that the new Assistant Secretary will be able to bring to bear the needed improvements which this Committee and others like General Ellis have pushed for and supported. I know the Senator from Virginia has been a real leader in this area as well.

I would like to add a particular welcome to Dr. James P. Wade, Jr., whom I have known and worked with over the year. Jim Wade has worked tirelessly on many subjects but specifically on a number of aspects of improving NATO's conventional defense capabilities. He has been heavily involved in the deep strike second echelon attack program, and has worked very hard to get the services coordinated and moving on these important programs. He has also been involved I know in the Emerging Technology initiative, which I regard as a very promising way of improving defense cooperation with our allies.

Senator GOLDWATER. I would like at this time to give each nominee the opportunity to introduce any members of his family who may be here today. I can hear and see quite a few members of families. We want to welcome you all here today.

Do any of you care to introduce your families, your children?

[Unspoken negative response.]

Senator GOLDWATER. I never would get away with that. I don't know how you fellows do it.

I will now recognize each nominee in turn for any comment he would like to make.

Is Senator Domenici here?

He is not here, but he wants to introduce Mr. Helm. If he comes in, we will let him do that.

First, Dr. Cooper.

[The nomination reference and biographical sketch of Dr. Cooper follows:]

NOMINATION REFERENCE

AS IN EXECUTIVE SESSION,
SENATE OF THE UNITED STATES,
April 12, 1984.

Ordered, that the following nomination be referred to the Committee on Armed Services:

Robert S. Cooper, of Virginia, to be an Assistant Secretary of Defense. (New Position—Public Law 98–94, of September 24, 1983).

BIOGRAPHICAL SKETCH OF ROBERT S. COOPER

Education: Bachelor Degree, Electrical Engineering, University of Iowa; Master Degree, Electrical Engineering, Ohio State University; Doctor of Science Degree, Electrical Engineering, Massachusetts Institute of Technology.

Academic honors: University of Iowa Graduate with Distinction, Ohio State University Westinghouse Fellow, M.I.T. Ford Foundation Post Doctoral Fellow.

Experience

August 1981 to present: Director of the Defense Advanced Research Projects Agency. Chief executive officer of an independent Defense agency responsible for research and exploratory development concepts that are not yet identifiable with a specific military requirement or Service mission, or which relate to the function of more than one Military Service. Provides technical direction and establishes management policy for an agency of about 145 people conducting R&D projects totalling more than $700 million per year.

1979–81: Vice President, Engineering, Satellite Business Systems. In charge of all research and development of an advanced, digital, burst communication system employing satellites and customer premise earth stations to provide integrated voice, high speed data, electronic mail and video teleconferencing services to SBS customers.

1975–79: Director of NASA Goddard Space Flight Center. Chief executive officer of an organization employing 3,700 scientists, engineers and support personnel engaged in space related research and development projects at an expenditure rate of about $800M per year. Job involved setting policy and determining direction of major research programs, garnering NASA, White House and Congressional support for these programs and directing their execution. Responsible for launch vehicle operation employing the Thor-Delta launch vehicle at an average rate of 10–12 per year from both Eastern Test Range and Western Test Range. Also responsible for worldwide satellite tracking system and NASA communications (NASCOM). Some representative Goddard research programs were: Space Science research in astronomy, astrophysics, magnetospheric physics, infrared and ultraviolet observational equipment, high energy physics and astronomy. Applied Science research in atmospheric observation from space and weather prediction, geophysics, oceanography, land observation from space and advanced earth observational instrument development. Engineering research in spacecraft stabilization and control, propulsion, materials, data processing and analysis, and communications.

1972–75: Assistant Director of Defense Research and Engineering, Department of Defense. Set policy, established DDR&E program direction, budgets and monitored programs in Defense Satellite Systems, High Energy Laser Weapon programs, Defense Mapping Agency, and provided DDR&E coordination with all intelligence-related R&D.

1968–72: Staff member, Group Leader and Division Director at MIT Lincoln Laboratory. Participated in and managed research and development programs ranging over a spectrum of the basic and applied engineering sciences. Some example research activities were: radar discrimination of ICBM reentry vehicles, plasma physics and radar scattering from ICBM ionized wakes, infrared and optical ICBM signatures, infrared observational equipment development, high energy laser research, laser radar development and laser spectroscopy.

1963–68: Assistant Professor of Electrical Engineering, MIT and Staff Member in the Research Laboratory for Electronics. Conducted research in plasma physics and electromagnetic scattering from plasmas. Led a small research group in the study of collective plasma phenomena.

STATEMENT OF DR. ROBERT S. COOPER

Dr. COOPER. Thank you very much, Senator.

I am very pleased to be here to receive your consideration for this position. I think research in the Defense Department is probably one of the most important factors in our maintaining our national security posture. I am honored that I have been considered for this position.

I look forward to serving as the Assistant Secretary of Defense for Research and Technology. I think as we move forward into the next half of this decade that you will see more and more emphasis on basic research and exploratory development in our defense programs.

I strongly look forward to participating in that activity and to try to strengthen our national security interests in the research area. I appreciate your consideration and the consideration of the committee.

Senator GOLDWATER. I can assure you that the members of this committee understand the extreme importance of research and development and particularly in the field of technology.

If there is any one area in which we are ahead of the rest of the world, it is in technology. It will only be through research and development that we stay there. You can depend on our help.

Senator Stennis, do you have any questions? Anytime you want to sound off, go ahead.

Senator STENNIS. I have no comment. I am here to express my regard for the importance of these offices and my support of the nominees.

Senator GOLDWATER. Mr. Warner?

Senator WARNER. Thank you, Mr. Chairman.

I have had considerable experience working with this nominee and wholeheartedly support him.

Senator GOLDWATER. Thank you very much.

The next gentleman we will hear from is Mr. Robert Helm.

[The nomination reference and biographical sketch of Mr. Helm follows:]

NOMINATION REFERENCE

AS IN EXECUTIVE SESSION,
SENATE OF THE UNITED STATES,
July 23, 1984.

Ordered, that the following nomination be referred to the Committee on Armed Services:

Robert W. Helm, of Virginia, to be an Assistant Secretary of Defense, vice Vincent Puritano, resigned.

BIOGRAPHICAL SKETCH OF ROBERT W. HELM

Robert W. Helm joined the National Security Council staff in June 1982.

Mr. Helm is a native of LaCrosse, Wisconsin. He graduated from the University of Wisconsin in 1973 with a B.S. in political science. He received a master of arts in law and diplomacy from the Fletcher School of Law and Diplomacy in 1975.

Mr. Helm was a Professional Staff Member at the Los Alamos Scientific Laboratory, Los Alamos, New Mexico, from 1975 through 1978. In 1978, he was a member of the U.S. Comprehensive Test Ban negotiating delegation in Geneva, Switzerland, representing the Defense Nuclear Agency and supporting the Joint Chiefs of Staff representative. In 1979, Mr. Helm joined the Minority Staff of the Senate Budget Committee as the Senior Analyst for Defense and International Affairs. From 1980, until joining the National Security Council Staff, he

served as Senior Defense Analyst on the Majority Staff of the Senate Budget Committee.

Responsibilities on the National Security Council Staff include monitoring the DOD PPBS budget cycle, coordination of defense budget issues with OSD and OMB, national security telecommunications policy, the strategic defense initiative, antisatellite weapons programs, nuclear testing issues and DOE military programs, and emergency preparedness issues. He also serves as the representative of the Assistant to the President for National Security Affairs on the DOD Defense Resources Board.

Mr. Helm resides in Arlington, Virginia, with his wife, Sandra.

STATEMENT OF ROBERT W. HELM

Mr. HELMS. Thank you, Mr. Chairman.

It is an honor for me to be here today and an honor to be nominated by the President for the post of Comptroller. It is a very important post in the Department of Defense and one for which I hope my work over the last 6 years in particular has prepared me.

I spent 4 years on the staff of the Senate Budget Committee as defense budget analyst there. I have had the opportunity to work for some great Members of the Senate, Senators Domenici and Bellmon in particular, and also extensively with this committee and the Appropriations Committee and covering the budget process in particular.

For the past 2 years I have been a member of the National Security Council staff, particularly emphasizing the defense budget, having points of contact there with the Office of Management and Budget and the Department of Defense.

I have had an opportunity to work closely with all elements of the defense budget over the last 6 years, working closely with the previous two comptrollers, Dr. Borsting and Mr. Puritano, and I am familiar I believe, with the DOD initiatives underway to help improve the defense budgeting process and with the efficiency initiatives that the administration has begun.

I am very pleased and honored to be here and hope the committee will endorse the President's nomination.

Thank you very much.

Senator GOLDWATER. Any comment?

Senator WARNER. I have no comment, Mr. Chairman.

Senator GOLDWATER. The next gentleman is Mr. Donald Latham who is to be Assistant Secretary for C³I.

[The nomination reference and biographical sketch of Mr. Latham follows:]

NOMINATION REFERENCE

AS IN EXECUTIVE SESSION,
SENATE OF THE UNITED STATES,
May 21, 1984.

Ordered, that the following nomination be referred to the Committee on Armed Services:

Donald C. Latham, of Virginia, to be an Assistant Secretary of Defense. (New Position—Public Law 98-94 of September 24, 1983)

BIOGRAPHICAL SKETCH OF DONALD C. LATHAM

Mr. Donald C. Latham became the Deputy Under Secretary of Defense (Communications, Command, Control, and Intelligence) in the Office of the Under Secretary of Defense for Research and Engineering, on July 26, 1981.

Previous to this assignment he was Division Vice President, Engineering, RCA Government Systems Division, since December 1978. In that capacity, Mr. Latham was responsible for coordinating and reviewing the engineering activities of the Division's four business units: Astro-Electronics, Automated Systems, Government Communications Systems, and Missile and Surface Radar. These operating units address a broad range of government needs in tactical, strategic, and space systems for all military services, the National Aeronautics and Space Administration and other government agencies.

He was also directly responsible for the Division's Advanced Technology Laboratories in Camden, N.J. In addition, he directed a staff of senior engineers and technical advisers, and administered the Division's Independent Research and Development programs.

Before joining RCA, Mr. Latham was Director, Research and Engineering, for Martin Marietta Aerospace, Orlando Division, Orlando, Florida.

Starting as a member of the technical staff at Martin Marietta Aerospace in Baltimore in 1963, Mr. Latham was transferred to the Company's Orlando Division in 1965 and promoted to Manager-Advanced Programs. In 1968, he became Manager, Air and Ballistic Missile Defense Systems at the Orlando facility.

In 1971, he left Martin Marietta to become Chief-Engineering Staff, of the U.S. National Security Agency European Headquarters, based in West Germany. In 1974, the National Security Agency appointed Mr. Latham as Deputy Chief, Office of Microwave Space and Mobile Systems, in Washington, D.C. In January 1977, he accepted the Research and Engineering directorship at Martin Marietta.

He served in the U.S. Air Force as an officer assigned to research and development activities for the National Security Agency from 1957 to 1959.

Mr. Latham received his bachelor of science degree in electrical engineering from the The Citadel in 1955. He was awarded a master of science degree in electrical engineering and an advanced electrical engineering degree from the University of Arizona in 1957 and 1965, respectively, the latter while working for Martin Marietta.

Mr. Latham has written two books and has authored a large number of technical papers. He has contributed to numerous business and Department of Defense engineering studies, reports and proposals.

He is a member of a special Navy panel of the Naval Research and Advisory Committee (NRAC) on Command, Control, Communications/Intelligence. He is on the Executive Committee of the Technical Council of the Aerospace Industries Association (AIA).

He is also a member of the American Institute of Aeronautics and Astronautics (AIAA), the Air Force Association (AFA), the Institute of Electrical and Electronics Engineers (IEEE), Sigma Xi and Sigma Pi Sigma.

Mr. Latham, his wife, Mary, and their two children reside in Alexandria, Virginia.

STATEMENT OF DONALD C. LATHAM

Mr. LATHAM. Thank you, Mr. Chairman.

It is quite a privilege to be here and to be nominated for this position.

As you know, President Reagan has made Command, Control, Communications and Intelligence a No. 1 priority in the modernization of our forces. It has been my pleasure for the last 3 years as the Deputy Under Secretary to try to pull this together and in fact on several occasions I have testified before this committee.

I believe that we have the program well underway. There is a lot more to do. It is quite an honor to be nominated for this important position. I hope that I can serve well in this position.

Thank you very much, sir.

Senator GOLDWATER. Thank you.

As you might imagine, the Acting Chairman has a great interest in that particular field, too.

Senator WARNER. Mr. Chairman, again this witness has appeared before the Senate committee and particularly in the C^3 area. We have

worked together over some 3 years now turning this around. We now have forward momentum and have made considerable improvement.

I wish to note great credit goes to the nominee for whom I have great respect and admiration.

Senator GOLDWATER. Thank you.

Dr. James Paul Wade, Jr., is to be Assistant Secretary of Defense for Development and Support.

[The nomination reference and biographical sketch of Dr. Wade follows:]

NOMINATION REFERENCE

SENATE OF THE UNITED STATES,
April 19, 1984.
(Under authority of the order of the Senate of April 13, 1984.)

Ordered, That the following nomination be referred to the Committee on Armed Services:

James Paul Wade, Jr., of Virginia, to be an Assistant Secretary of Defense. (New position—Public Law 98-94, of September 24, 1983).

BIOGRAPHICAL SKETCH OF JAMES P. WADE, JR.

James Paul Wade, Jr., was born in Richmond Heights, Missouri, December 26, 1930. He received a B.S. degree in Engineering from the United States Military Academy, West Point, New York, in 1953; an M.S. in Physics in 1959, and a Ph.D in Physics in 1961 from the University of Virginia, Charlottesville, Virginia. He graduated from the U.S. Army Command and General Staff College in 1966.

During the period 1955–1957, Dr. Wade was a member of the staff of the NATO Defense College in Paris, France. In 1961, he was assigned to the Physics Staff of the Lawrence Radiation Laboratory, University of California, Livermore, California. In 1966, he was assigned to the J-3 Operations Directorate, USCINCEUR, Paris, France. Dr. Wade was appointed a Staff Specialist in the Strategic Technology Office of the Advanced Research Projects Agency, Arlington, Virginia, in 1967. In 1970, he joined the staff of the Deputy Director, Defense Research and Engineering (Strategic and Space Systems), Department of Defense. In 1972, Dr. Wade was appointed Assistant Director, OSD SALT Support Group, Office of the Director of Defense Research and Engineering. He participated as the Senior OSD Advisor on the United States Delegation to the Strategic Arms Limitation Talks with the USSR. In 1973, he was assigned the additional task of Assistant Director, Net Technical Assessment.

In June and July respectively, the Secretary of Defense appointed Dr. Wade to be the Director, Department of Defense Strategic Arms Limitation Talks (SALT) Task Force, and Deputy Assistant Secretary of Defense for Policy Plans and National Security Council Affairs. In January 1976, Dr. Wade was appointed the additional responsibility of Chairman of the National Security Council Defense Review Panel Working Group, in the Office of the Secretary of Defense.

On 8 August 1978, Dr. Wade was appointed as Assistant to the Secretary of Defense for Atomic Energy, and Chairman of the Military Liaison Committee to the Department of Energy.

Since April 1981 to the present time, Dr. Wade has served as Principal Deputy Under Secretary of Defense for Research and Engineering.

In November 1975, Dr. Wade was awarded the Distinguished Civilian Service Medal by the Secretary of Defense. In January 1977, the Secretary of Defense presented Dr. Wade with the Department of Defense Medal for Distinguished Public Service for his role as Deputy Assistant Secretary of Defense Policy Plans and National Security Council Affairs; Chairman, National Security Council Defense Review Panel Working Group; and Director, Strategic Arms Limitation Talks (SALT) Task Force. In January 1981, Dr. Wade was awarded the Bronze Palm to the Department of Defense Medal for Distinguished Public Service, and his role as Assistant to the Secretary of Defense for Atomic Energy and Chairman of the Military Liaison Committee to the Department of Energy.

STATEMENT OF DR. JAMES PAUL WADE

Dr. WADE. Thank you, Mr. Chairman.

First, I would like to echo the comments of my colleagues, and also for my colleagues express our appreciation to you and the Members here for taking their valuable time to hold these hearings at a very important time as the review on the 1985 program of the Department of Defense continues.

We are here to provide to you our deepest commitment to assure these programs for Defense are pursued with the maximum in efficiency, because they are needed for our security and for the free world.

I thank you very much.

Senator GOLDWATER. Thank you.

Do members of the committee have any questions in particular they would like to ask these gentlemen relative to their prospective positions?

Senator WARNER. Mr. Latham is well known. He has withstood a lot of cross-examination in this room. He should be permitted to take on the job.

Senator THURMOND. Good morning, gentlemen. It is a pleasure to have you appear before the Senate Armed Services Committee today. Each of you has been nominated for a position of great trust and confidence.

We in the Congress depend on your expert advice when we review the defense budget each year. Assuming that each of you is confirmed, I look forward to working with you in the future.

Dr. Wade, we are often criticized because of the length of time it takes for the United States to field a weapon system.

Would you give us your assessment of our allies' performance in fielding new weapons systems?

Dr. WADE. Yes, sir; one of the most important aspects of getting equipment in the field and soon, and one we are focusing more attention on, is in the transition from development to production.

If you commence development, and focus primarily on solving technical problems through only developmental hardware, without worrying up front about how to transition into production, you will have serious problems downstream. So, increased attention at the beginning of the developmental cycle needs to be given to transition, to production. By doing so, we will save many headaches, and a great deal of money downstream. This is true for us and our allies.

A second aspect is to make sure when you are commencing a new program, that you actually program sufficient moneys for the whole program so that as one faces the decisions downstream to move into production, that you are not faced with a problem of where the money is to come from.

That decision, in the main, should be made at the front of the program so that all the various pieces are in place to move forward and move forward with vigor.

Senator GOLDWATER. Will the Senator yield?

The Chair would like to recognize Senator Domenici who is prepared to introduce Mr. Helm.

STATEMENT OF HON. PETE V. DOMENICI, U.S. SENATOR FROM THE STATE OF NEW MEXICO

Senator DOMENICI. Thank you very much, Mr. Chairman. Thank you for yielding for just a moment. I won't take long.

Mr. Chairman and members of the committee, it is my pleasure to introduce and strongly recommend Robert Helm to the committee and to speak for a few moments in his behalf.

He is being nominated for the post of the Department of Defense Comptroller. As you all know, I would not be here if it were simply because Bob Helm was a good man. He is, but I thought since I know him and know him well and was the cause of his leaving Los Alamos Scientific Lab, coming here to serve on the Budget Committee, that I ought to share a few thoughts with you.

He is a native of Wisconsin, graduated from the Fletcher School of Law and Diplomacy at Tufts University. After that he became principal defense analyst at Los Alamos National Lab, specializing in United States-Soviet strategic studies, NATO defense planning and theater nuclear capabilities.

He served in Geneva as adviser to the Joint Chiefs of Staff of the United States, on the Comprehensive Test Ban Treaty negotiating delegation and in 1979 then Senator Bellmon, at my recommendation, hired Bob to serve as minority defense analyst for the Budget Committee.

In 1981 when the Republicans took control of the Senate, Bob Helm became the majority analyst. I found his unique experience in both strategic planning as well as budgeting were a valuable resource to me and the entire committee. I relied on him often.

He left the committee in June of 1982 to take the position on the National Security Council where he not only did work on budget matters, but on many other matters of importance.

Mr. Chairman and distinguished members, I am very enthusiastic about the nomination of Bob Helm to the Office of Department of Defense Comptroller. His unique combination of training in the field and his experience here on the Hill make him eminently qualified for this job.

I recommend him heartily to the committee.

I think the chairman for yielding to me.

Senator GOLDWATER. Thank you very much, Pete.

I want to apologize to Senator Thurmond who was interrupted. I think it must have been my fault, but I do apologize.

I am sorry the little boy had to leave the room. I think that is an indication that the young people recognize that we have problems. [Laughter.]

Senator THURMOND. Mr. Latham, this administration has programmed large sums of money for our command control, communications and intelligence systems.

Would you give us your views on what improvements have been made and how much further we have to go?

Mr. LATHAM. Yes, sir, I will try to do that.

It is true that we have budgeted substantially larger dollars for this area of C³I. We have been treated very fairly in the Congress in that

regard, by the way, in that we have had about a 12-percent real growth in the C^3I budget in each of the last 2 fiscal years alone.

In this administration we have started a number of programs to strengthen and modernize the strategic C^3 area and make numerous improvements in the intelligence side.

There are a number of programs now underway and well funded and supported in the Congress that will make major improvements in that C^3 capability, such programs as a new military communications satellite, Milstar, the ground wave emergency network program, and several others, numerous programs in the intelligence side which I really can just allude to in generalities.

The problem that we faced and we inherited when we came in this job, is that this is not a simple problem to solve. It is not a problem that will be solved in any one fiscal year or even 5 fiscal years. We believe you are really going to have to put the resources and the time against this for at least a decade in order to regain where we should be in a modernized, surviving, enduring C^3I system.

I would say it will be toward the end of this decade before you are going to see significant improvement in areas that we feel need to be improved, sir.

Senator THURMOND. Thank you very much.

Mr. Helm, you have worked on the National Security Council in recent years and have watched the defense budget process from a detached point of view.

In your opinion, how can the current process be improved upon?

Mr. HELM. Senator Thurmond, I have had the opportunity to watch the process for the last 2 years as a member of the NSC staff. I have had the privilege of being an observer on the Defense Resources Board.

As a DOD forum, Senator, it has been significantly upgraded by the administration and by the Secretary as a real management tool and budget appropriation tool.

I think the key to success, quite frankly, is execution of the various initiatives and plans that the Secretary and Deputy Secretary Taft have directed the Department of Defense to undertake.

The Comptroller's Office has a very large role in seeing to the execution of the initiatives that are undertaken in the areas of improved pricing, contracting, overseeing the way the services manage their assets. I think there is a good management structure in place and execution is the key to ultimate success and I hope to play a large role in that.

Senator THURMOND. Thank you.

Dr. Cooper, do you feel that the National Laboratories should be funded in part or totally by the Department of Defense or by the Department of Energy as is currently the case?

Dr. COOPER. Senator Thurmond, I believe the structure of our National Laboratories which have now existed for the better part of 30 years is well serving the national security interests of the United States in its current management form.

As you well know, Defense has very close association with the National Laboratories. Generally the problem which Defense selects for the National Laboratories to work in detail are negotiated on an in-

dividual basis between the services and the labs and between the Defense agencies and the laboratories themselves.

We found that this management scheme works very well. The Laboratories are highly motivated to work on the substantial problems that we give them and we work very closely through the Department of Energy, the senior management in the Department of Energy, and directly with the laboratories over the past 30 years on many very important defense matters.

The agency that I head, the Defense Advanced Research Projects Agency, has had a particularly close relationship with the National Laboratories in a wide variety of programs, including high energy lasers, particle beam weapons, space nuclear power and a wide variety of basic research activities.

I find personally that the relationships that we have now are very strong and work very, very well.

Senator THURMOND. Thank you very much.

Thank you, Mr. Chairman.

Senator GOLDWATER. Mr. Levin?

Senator LEVIN. Dr. Cooper, relative to the blue-green laser, as I understand it, you feel that there have been some real breakthroughs in the blue-green laser system of communicating with submarines.

Dr. COOPER. That is correct, Senator.

Senator LEVIN. Apparently at a House Armed Services Committee hearing a little earlier this year you likened those breakthroughs to some major developments in the airplane industry breakthrough; is that correct?

Dr. COOPER. That is correct.

Senator LEVIN. I don't have your exact words. Do you remember those words?

Dr. COOPER. Yes.

Senator LEVIN. What were they?

Dr. COOPER. I believe that the progress that we have made over the last year in the blue-green program at DARPA has been phenomenal, far greater progress than we had anticipated as early as perhaps a year ago.

I believe that this program represents an opportunity for the Defense Department to take advantage of this technological opportunity. One of the reasons why the positions of Assistant Secretary of Defense for Research and Technology was planned to be established by the Secretary of Defense was to work on problems of the sort that the blue-green laser program represents for Defense.

Those problems are not dissimilar from the generic problem of trying to move basic research from the laboratory into products in industry or into systems in the Defense Department. This is a particularly challenging problem because the transition of technology to being useful in systems or in products is a matter of management judgment.

We are hopeful that the establishment of this position will make it easier for us to target the technologies which we now have in the pipeline to more rapidly move into our systems to keep our advantage over the Soviet Union.

Now, it turns out that our expectation was that the submarine laser communication program would not be able to move from the laboratory into systems until probably the latter part of this decade.

I believe the progress that we have made over the past year now gives us the opportunity within the next 2 years to establish an engineering development program in the Navy to build a submarine laser communication satellite system and we have been working closely with the Navy and I believe we now have their attention.

I believe that the new position that I will hold will make it easier for me to work with senior Navy officials and to work with the operational submarine forces in order to rapidly transition this technology.

Senator LEVIN. That comes as good news to all of us. I particularly look at my friend, Senator Warner, who has been very helpful in getting additional funds on the Senate side. A number of us on this committee have put some real eggs in this basket. We are glad that it looks like those eggs may turn out to be very, very useful in terms of our submarine communication system.

So, that is very good news indeed. We are grateful for it.

Now, I guess in 3 of the last 4 years, we have added funds in this committee for the blue-green system. In one of those years, in 1984, it seems clear from looking at the record that we intended to authorize and clearly appropriate an additional $10 million for that system. That is the way I read the record.

We have gotten letters from Chairman Price stating if there was any ambiguity, to clear it up on the authorization bill. The appropriations conference report clearly indicates verbatim that the conferees agree to $10 million additional funding to provide for the blue-green laser communications program.

Is there any doubt in your mind anymore that the additional $10 million was intended to be appropriated and is there any problem in getting that money in fact obligated?

Dr. COOPER. There is no question in my mind, Senator Levin, as to the intent of the legislation. I think it is fair to say that through your help and the help of Senator Warner and other members of this committee, that if it were not for your strong support for this program, it is not clear that the program would be in the position that it is today.

So, I want to thank you and the other members of the committee for your strong support.

The issue, by and large, has been again this technology transition issue which makes it difficult for us to fund programs in the basic research disciplines that are potentially in conflict with possible operational systems or other systems that are in development.

I think that the issue in the blue-green laser program has been one of adequate funding availability which you and your good efforts have assured and the solution of the substantial technical problems that we see before us.

Now, in the past year, as I have mentioned, there have been substantial technical breakthroughs. This has allowed us to take a program which was broad-based and which was following two major lines, one line which anticipated a system concept which had a blue-green laser on the ground with a mirror on a satellite which would deflect communication signals transmitted from the ground to forces underwater throughout the world.

The second line was placing a laser in a satellite and doing the communication from the ground to the satellite using normal microwave communication systems with the retransmission in the blue-green of the communication messages to the submerged submarine forces.

We have been able, because of the progress in the space communication part of the program to essentially terminate what represented a substantial fraction of the ground-based laser concept and consequently we have been able to shift substantial amounts of the resources which you and the other committee members here provided to us into the space technology part of the program.

Consequently, we have to date expended only about $26 million of the $30 million which was in the legislation. We have technology activities ongoing which I believe will require the balance of the funds and we are prepared to commit and obligate those funds at the appropriate time to continue the program and move it forward.

Senator LEVIN. Do you think the appropriate time is this fiscal year?

Dr. COOPER. I believe that during this calendar year we will have expended the funds. You will recall the funds are 2-year funds and consequently expending them before September 30 is not required. But I believe that we will substantially obligate the funds that were provided by the Congress before the end of the calendar year.

Senator LEVIN. In any event, there is no doubt in your mind the Congress did intend to authorize and appropriate the full $30 million including an additional $10 million for the blue-green?

Dr. COOPER. There is no doubt in my mind, Senator.

I think you should be aware that we are in very extensive negotiations with the Navy right now on the transition of this program. I am hopeful that no instabilities will be injected into the program by any actions that are taken on the part of any of the interested parties right now.

I think we are now in a position and have adequate funding in the program to ensure that this transition works very smoothly.

Senator LEVIN. One last question, Dr. Cooper.

If in fact these funds can be usefully obligated this fiscal year so that they don't get mixed up with any other funds next year, will they be obligated this year if they can be usefully obligated this year?

Dr. COOPER. Yes, sir. Of course, that is a judgment based on the need for the funds.

Senator LEVIN. I understand if in fact they can be usefully obligated this fiscal year, you are assuring us they will be?

Dr. COOPER. I am saying if they are needed in that time period, they certainly will be obligated. I don't look at the end of the fiscal year as any kind of barrier in terms of making technical decisions in the program however.

Senator LEVIN. To put it a different way, will they be obligated as soon as they usefully can be used.

Dr. COOPER. Yes, sir.

Senator LEVIN. Thank you.

Thank you very much, Mr. Chairman.

Senator WARNER. Mr. Chairman, I won't take equal time on health.

Mr. Chairman, I was just reading over the biography of Dr. Wade. Dr. Wade is another one of those extraordinary persons who has appeared before this committee and undergone the severest cross-examination and has always provided fair and objective answers and left a good impression.

In looking at this biography and biographies of the others here and having worked with three of these members over 5 years, this country should be grateful for the quality of the men we see before us today who are willing to continue in public service, recognizing the demands in the private sector for their talents at salaries and perquisites that far exceed what the Government pays today.

Indeed, the families who are present, who wish to remain silent, share in those sacrifices. We would not want them to leave today without knowing that this committee expresses its appreciation not only to the nominees, but the families who are willing to undertake these responsibilities at this time.

Senator GOLDWATER. That is a very sensible observation.

Senator Exon, any questions?

Senator EXON. I wish to associate myself with the well said remarks of my colleague from Virginia.

I think you are great Americans. I am sure we will have no difficulties.

Senator GOLDWATER. Thank you, gentlemen, for coming. Thanks to the members of your families for being with you.

We will pass judgment on you a little later in the meeting. I don't think you have anything to concern you.

One thing I forgot. Is that EJS thing all settled now?

Mr. LATHAM. Yes, sir, it is. There is a memorandum of agreement with the services that has been signed out by Dr. DeLauer, Under Secretary for Research and Engineering. It redirects the program.

The Air Force, Navy, and Army are in full accord with that memorandum. We have the program adequately defined now to go ahead.

The issue, frankly, Senator, is that the House Armed Services Committee in the markup of the 1985 bill has substantially reduced the President's request for that program.

I would urge that we support the full request. That is the only hindrance to now moving ahead on the enhanced JTIDS system [EJS].

Senator GOLDWATER. Thank you.

Senator LEVIN. Mr. Chairman, are we going to be voting out these nominations today?

Senator GOLDWATER. Yes.

Senator LEVIN. If I could pursue one additional minute since there won't be a record to submit questions for.

May I ask one additional question?

Senator GOLDWATER. Go right ahead.

Senator LEVIN. I have one last question, Dr. Cooper.

Is there in fact unobligated funds available in 1984 funds in order to spend that full $30 million if in fact it is useful to do so this fiscal year?

Dr. COOPER. DARPA does have unobligated funds in excess of the funds required to prosecute the blue-green laser program successfully.

Senator LEVIN. I appreciate your answers. You bring us nice comments.

Thank you, Mr. Chairman.

Senator GOLDWATER. Thank you, gentlemen, for coming. You may be excused.

The committee will now turn to the nominations of Everett Pyatt to be Assistant Secretary of the Navy for Shipbuilding and Logistics, and Charles G. Untermeyer to be Assistant Secretary of the Navy for Manpower and Reserve Affairs.

Mr. Pyatt is presently serving as Deputy Secretary of the Navy for Shipbuilding and Logistics.

Mr. Untermeyer most recently has served as Deputy Assistant Secretary of the Navy for Installations and Facilities.

I understand that Senator Warner will introduce both gentlemen.

The committee staff has also reviewed the financial holdings of these nominees and has confirmed that there exists no conflict of interest between those holdings and their governmental responsibilities.

Senator Warner?

STATEMENT OF HON. JOHN W. WARNER, U.S. SENATOR FROM THE STATE OF VIRGINIA

Senator WARNER. Thank you, Mr. Chairman and members of the committee.

I would like to suggest that we proceed first with the nomination of Mr. Pyatt.

[The nomination reference and biographical sketch of Mr. Pyatt follows:]

NOMINATION REFERENCE

SENATE OF THE UNITED STATES,
April 19, 1984.

(Under authority of the order of the Senate of April 13, 1984.)

Ordered, that the following nomination be referred to the Committee on Armed Services:

Everett Pyatt, of Virginia, to be an Assistant Secretary of the Navy, vice George A. Sawyer, resigned.

BIOGRAPHICAL SKETCH OF EVERETT PYATT, PRINCIPAL DEPUTY ASSISTANT SECRETARY OF THE NAVY (SHIPBUILDING AND LOGISTICS)

Everett Pyatt was officially appointed Principal Deputy Assistant Secretary of the Navy (Shipbuilding and Logistics) on 9 October 1981. As the Principal Deputy he supports the Assistant Secretary of the Navy (Shipbuilding and Logistics) for all matters relating to ship, aircraft, missile, and materiel acquisition, sealift and maritime affairs, and logistics support of forces and instal'ations.

Prior to joining the Department of the Navy, Mr. Pyatt was Deputy Chief Financial Officer for Project and Business Management at the Department of Energy. From June 1977, until January 1980, Mr. Pyatt served as the Principal Deputy Assistant Secretary of the Navy (Logistics), and during this period, he was awarded the Navy Distinguished Service Award for outstanding performance of his responsibilities.

Prior to his Navy appointment, Mr. Pyatt worked in a variety of roles in the Office of the Secretary of Defense. From 1976–1977, he was the Director of Logistics, Planning and Analysis reporting to the Assistant Secretary of Defense (Installations and Logistics) where he established a logistics resource management

system. From 1973–1976 he was the Director of Systems Acquisition and Planning reporting to the Assistant Secretary of Program Analysis and Evaluation. In this role, he developed the Department of Defense Programming Guidance, directed several major analyses of major acquisition programs and improved DoD acquisition policies.

He entered the Civil Service under the Management Intern Program and was employed in the Office of the Director of Defense Research and Engineering. From 1962 until 1969, he reviewed development of Navy programs concerned with submarine warfare including sonar weapons, countermeasures as well as mine and mine countermeasure efforts. He was the Executive Secretary of technical exchange efforts between the United States, United Kingdom, Canada and Australia. From 1969 through 1972, he participated in efforts supporting Vietnam activities and U.S. Middle East Task Group. He participated in evaluations of Soviet technology and U.S. weapon development and development planning processes as a member of special working groups.

Mr. Pyatt graduated from Yale University in 1962 with a Bachelor of Engineering in Electrical Engineering and a Bachelor of Science in Industrial Administration. He earned a Master of Business Administration from the University of Pennsylvania, Wharton School in 1977.

Mr. Pyatt was born on 22 July 1939, in Kansas City, Missouri. He, his wife, two daughters, and son live in Arlington, Virginia.

Senator WARNER. Mr. Pyatt has probably had more extensive and lengthy service in the Department than does our other nominee today.

It has been my privilege to know the nominee for many years. He has a reputation in the Department of Defense, where he spent almost all of his career, for honesty and competence and sheer hard work. I shall not recite his entire biography, but I would think it important for the committee to know that he graduated from Yale in 1962 with degrees in electrical engineering and industrial administration.

Since then he has been with the Department of Defense continuously except for an 18-month period with the Department of Energy in 1980 to 1981.

During my period in the Department of Defense, in particular the Department of the Navy, Mr. Pyatt assumed the duties of Director of Systems Acquisition and Planning.

Senator GOLDWATER. Will the Senator yield for just a moment.

I would just like to mention the fact my Governor, Bruce Babbitt, from Arizona is here. While Arizona does not have much in the way of a Navy, their vote is decisive.

Senator WARNER. The members of the committee have seen the Air Force take a suitable position in that great State.

Mr. Chairman, I shall not dwell further on the distinguished record of this nominee. He is well known to the committee.

I should like to have my prepared remarks incorporated in the record.

[The prepared statement of Senator Warner follows:]

PREPARED STATEMENT BY SENATOR JOHN WARNER

Mr. Chairman, it is my pleasure and privilege to introduce to the Committee, Mr. Everett Pyatt, who has been nominated by President Reagan to be the Assistant Secretary of the Navy for Shipbuilding and Logistics.

I have known Ev for several years now, and I regard him to be eminently qualified for this job. I have worked closely with him on a variety of issues during a period of years when the Department of the Navy has been building up at a dramatic pace. His honesty, competence, and sheer hard work have been important factors in this Administration's drive for a 600-ship Navy.

I won't recite Ev's entire biography, but I should mention some highlights. He graduated from Yale in 1962 with degrees in both electrical engineering and

industrial business. Since then, he has been with DOD continuously, except for an 18-month period wtih the Department of Energy in 1980–1981.

In 1973, while I was serving as Secretary of the Navy, Ev assumed the duties of Director of Systems Acquisition and Planning for the Assistant Secretary of Defense for Program Analysis and Evaluation. During his three years in that job, he developed the DOD Programming Guidance, directed several significant analyses of major acquisition programs and improved DOD acquisition policies.

From 1976–1977, he was the Director of Logistics, Planning and Analysis for the Assistant Secretary of Defense (Installations and Logistics). Here he established a logistics resource management system. From 1977–1980, he served as the Principal Deputy Assistant Se retary of the Navy (Logistics). For his outstanding performance in this capacity, he was awarded the Navy Distinguished Service Award.

In October 1981, after his stint with DOE, he was appointed to be the Principal Deputy Assistant Secretary of the Navy for Shipbuilding and Logistics. In that capacity, he supported the Assistant Secretary—the job for which he has now been nominated—in all matters relating to ship, aircraft, missile, and material acquisition; sealift and maritime affairs; and logistics support of both forces and installations. As you can see, this job is at the very heart and soul of the Navy and Marine Corps team.

In addition to receiving the Navy Distinguished Service Award, in 1982 he was the recipient of the Distinguished Senior Executive Award. I might also point out that, in addition to establishing this exemplary performance record, he found time to earn his MBA from the Wharton School of Business in 1977.

Mr. Chairman, I am very pleased that the President has nominated a man with unsurpassed experience for the job to which he aspires. I am confident that Ev Pyatt will perform his duties with great integrity and superb talent, and I urge his confirmation.

Senator WARNER. I would hope the Chair would recognize the presence in the room today of the former Secretary of the Navy, Edward Hidalgo.

Senator GOLDWATER. I was just about to do that.

Senator WARNER. Perhaps we might depart from the normal procedure and allow this distinguished former Secretary to say a few words on behalf of Mr. Pyatt.

When the position for which he has been nominated first opened, the first caller I received was Mr. Hidalgo. I think that shows the bipartisan spirit.

Senator GOLDWATER. Would you like to accept the invitation of the Senator and say a few words on behalf of the gentleman?

STATEMENT OF EDWARD HIDALGO, FORMER SECRETARY OF THE NAVY

Mr. HIDALGO. Mr. Chairman, I can't speak too highly of Ev Pyatt. When I was advised in April 1977 that one assistant secretaryship was going to be removed, that I would have Manpower Reserve, Installations and Logistics, it seemed obvious that I needed very valuable and experienced help in both of those areas. I had the good fortune to find Ev Pyatt and he served with enormous distinction and with great competence, with great integrity.

The choice of Ev for the position that he will now have is a very rewarding one for the Navy and the Nation as a whole.

I thank the chairman for permitting me to make these comments.

Senator GOLDWATER. Thank you very much.

[The nomination reference and biographical sketch of Charles G. Untermeyer follows:]

NOMINATION REFERENCE

AS IN EXECUTIVE SESSION,
SENATE OF THE UNITED STATES,
May 9, 1984.

Ordered, That the following nomination be referred to the Committee on Armed Services:

Charles G. Untermeyer, of Texas, to be an Assistant Secretary of the Navy, vice Chapman Beecher Cox.

BIOGRAPHICAL SKETCH OF CHARLES G. UNTERMEYER

Charles G. (Chase) Untermeyer became Deputy Assistant Secretary of the Navy for Installations and Facilities in April 1983. In this capacity, he oversees military construction, property management, occupational safety and health, and environmental affairs for the Department of the Navy, and he speaks for the Department of Defense on military matters involving the outer continental shelf.

Immediately preceding his appointment, he served two years as executive assistant to Vice President George Bush.

Untermeyer was born 7 March 1946 in Long Branch, New Jersey, but grew up in Houston, where his parents moved when he was two years old. He attended the Spring Branch public schools, graduating from Memorial Senior High School in 1964. He is a 1968 graduate of Harvard College with honors in government. While in college, he spent two summers on the Washington staff of then-freshman Congressman Bush of Houston.

During the Vietnam War, Untermeyer served in the U.S. Navy as an officer aboard the destroyer *Benner* (DD–807) in the Tonkin Gulf and as aide and flag lieutenant to the late Rear Admiral Draper L. Kauffman, USN, Commander of U.S. Naval Forces in the Philippines. He then spent 16 months traveling on his own throughout Asia and Africa.

Returning home, he joined the Houston Chronicle as a political reporter, covering the State and local elections of 1972 and 1974. From January 1975 to July 1976, he was executive assistant to Jon Lindsay, county judge (chief administrative official) of Harris County, Texas.

From 1977 to 1981, Untermeyer served as a Republican member of the Texas House of Representatives for District 83 in Houston. He was a member of the Committee on Inter-Governmental Affairs and vice chairman of the Health Services Committee. In the November 1980 general election, he was reelected to a third term without opposition but resigned in order to work for the Vice President.

In the Fall of 1977, Untermeyer accompanied Mr. and Mrs. Bush on a visit to China and Tibet, describing the journey in an article for U.S. News & World Report. His articles have also appeared in Texas Monthly, Houston City Magazine, Texas Observer, In Between Magazine of Galveston, and EL SOL, a weekly newspaper for Houston's Mexican-American community. He is the author of the Houston Survival Handbook, a citizen's guide to getting action on over 200 kinds of problems in the greater Houston area.

Untermeyer was selected a fellow of the Institute of Politics at Harvard, where he spent the Fall of 1980 leading a student study group entitled, "Getting There: A Practical Guide to Preparing for a Career in Politics."

Senator WARNER. Mr. Chairman and members of the committee, the second nominee this morning is Charles Untermeyer, again an individual with whom I have had extensive work and experience, and for whom I have unqualified respect and admiration of his ability to take on these responsibilities.

Mr. Untermeyer served in the Navy during Vietnam aboard a destroyer in the Tonkin Gulf and as the flag lieutenant to the commander, U.S. Naval Forces in the Philippines.

Following naval service, he was a political reporter with the Houston Chronicle.

Subsequently he served as executive assistant to the chief administrative judge of Harris County, TX.

He served as the Republican member of the Texas House of Representatives from 1977 to 1981. He left that position to come to Washington to serve as executive assistant to the Vice President of the United States, George Bush, in the first 2 years of this administration.

After leaving the position of executive assistant to the Vice President and immediately preceding this nomination, he served as Deputy Assistant Secretary of the Navy for Installations and Facilities.

Mr. Chairman and members of the committee, the nominee is eminently qualified to take on the position of the Assistant Secretary of the Navy for Manpower and Reserve Affairs.

Senator GOLDWATER. Thank you very much.

Gentlemen, welcome.

As we usually do, I would like to have both of you say a few words about your new position and what you think about it.

Mr. Pyatt, we will start with you.

STATEMENT OF EVERETT PYATT

Mr. PYATT. If I could first explain, it was my son who interrupted the decorum of the committee hearing a moment ago. I think he has now been taken back out.

I brought my family, Jennifer, Laurie, Jeff, and Susan, for support.

Senator GOLDWATER. We welcome you here. Just keep a good eye on him.

Mr. PYATT. I served in this job as the Acting Assistant Secretary for about a year, having previously served as the Principal Deputy for about 2 years. In that process we have focused on executing the budget that the Congress has appropriated and doing better on it when we could.

We recognize one of the main things that we need to do is to broaden the base of participation in the Navy program and over the last 2 years we have increased the amount of competition in the Navy from 25 to 31 percent of all of our dollars.

Similarly we have increased the opportunities for small business which play a very significant role in our activities by about $2 billion a year. In the process, we have recognized the ability of large business by moving many more of our production contracts to a fixed-price basis.

During this fiscal year we brought the shipbuilding contracts in at $500 million under the President's budget request. Part of that was taken in the budget process program and was executed as promised.

We saved $300 million in the fiscal year 1984 aircraft contracts. The savings above the projection we made for the two carriers provided enough funds to pay for the activation of the battleship *Missouri* without additional fiscal year 1985 appropriations. I believe that has been incorporated in both authorization and appropriation bills.

It is my personal goal to continue to stress sound management in the acquisition and logistics program. I believe proper stewardship of manpower, money, and materiel can continue to increase our effectiveness in achieving force readiness goals.

Since my entire career has been in defense systems acquisition management, I believe I am academically and professionally prepared to accept and execute the responsibilities of this office.

Over the years I have developed close association with the Congress, both Members and staff. I look forward to continuing these productive relationships. I have found that a spirit of openness and cooperation best serves our country and I pledge to continue in that spirit.

I would like to thank you for consideration of my nomination.

Senator GOLDWATER. Thank you very much.

Senator WARNER. Mr. Chairman, if I might observe one other thing.

In recognizing Mr. Pyatt, I think the President paid great tribute to the career people in the Department of Defense and other agencies of Government.

Mr. Pyatt, I calculated, has been in the Department of Defense almost 20 years and for a short period in the Energy Department, I think serving obviously both Republicans and Democrats in a bipartisan way.

This nomination is a recognition of his contribution to the Department.

Senator GOLDWATER. Thank you very much.

Senator EXON. Mr. Chairman, I don't want to go into this in any great detail at this time, but there has been a great deal of adverse publicity recently about the Electric Boat Co. I think all of us have some questions about that. We have been worried about that for an extended period of time. You are familiar with the recent publicity on that.

Mr. Pyatt, is it possible for you to shed any light on the past difficulties that there obviously have been? I am not trying to fix responsibility at all, but I want to know in your opinion whether this matter has been straightened out. Are the present construction schedues for submarines going to be met and are we going to be able to stay within the cost estimates on future boats?

Mr. PYATT. Yes, sir; Electric Boat has done a very fine job of straightening out the production process over the last 3 or 4 years and boats now come out on time and under contract expectations.

In fact, in one instance, more than one instance now, their production process has moved so much faster than the Navy's procurement of Government-furnished equipment that the Navy has become the cause of delay in a couple of cases.

In response to that, we have come back to the Congress asking for additional long leadtime authority to buy components that will speed the production process. It is really a tremendous improvement over the recent past.

Senator EXON. Do you believe that there were some untimely delays and some unjustified cost overruns in the past or is that just adverse publicity?

Mr. PYATT. The trials and tribulations of Electric Boat and the Navy have been fully reported in the Congress and Budget hearings over the last decade. I am optimistic that they have corrected their production process and the results over the last 2 or 3 years show they do deliver on time and within cost estimates.

Senator EXON. Would it be fair to summarize your opinion then, regardless of the mistakes of the past, if there were any, you at least are convinced from your intimate knowledge of this that today we are

on the road to stability and we assume that the boats will come out on time in the future and within the cost estimate.

Is that a fair summation of what you are saying?

Mr. PYATT. Yes, sir.

Senator EXON. Thank you, Mr. Chairman.

Senator GOLDWATER. Thank you, Senator.

Mr. Untermeyer.

STATEMENT OF CHARLES G. UNTERMEYER

Mr. UNTERMEYER. Thank you, Mr. Chairman.

Before I say anything further, I would like to express my gratitude to Senator Warner for his kind remarks in introducing me. He is a respected Member of this body whom we value for his leadership. But I tell you, those of us across the river still consider him "Secnav," when he rendered distinguished service as Secretary of the Navy in a difficult and challenging time. It is nice to hear those kind words from him.

Since the President nominated me in May, I have had a chance to travel around to see our sailors and marines in different places, such as on the carrier USS *Eisenhower*, Quantico, Parris Island, and the technical training command in Memphis. I have been very impressed, and I am sure you have, too, with the quality of our people in uniform today.

It is an exciting thing. It is also a challenging thing because my job as I see it is to try to keep a good thing going. People who are in uniform today, men and women, sailors and marines, are motivated by sincere patriotism, I am convinced of that, but also because it is a good job and it is an honorable job.

I look on my task in this position to improve on that, to keep good the things we have going and to remember that the quality of life of our people in uniform is a very important part of what leads them to stay in uniform and to keep that expertise working for us.

I have also had the chance to visit our Navy and Marine Reserve headquarters in New Orleans and to see other Reserve units. I will be observing the Marine amphibious exercises at Camp Lejeune next week involving the reserves of the 4th Marine Division.

I am very strongly persuaded that the Reserves are a force for our country that have to be continually improved. I am committed to that.

I look forward to working with this committee and the staff in doing those things.

Senator GOLDWATER. Thank you very much.

Senator Levin, we didn't get to you.

Senator LEVIN. Thank you, Mr. Chairman.

Mr. Pyatt, are you familiar with the Kaufman report to the Joint Economic Committee relative to the Electric Boat issue?

Mr. PYATT. No; I am not.

Senator LEVIN. There was quite a bit in the press the other day about it. There were hearings that were held.

Are you familiar with those hearings?

Mr. PYATT. I know the hearings occurred. I did not follow them in detail.

Senator LEVIN. Did you read anything about those hearings in the papers?

Mr. PYATT. No; I heard about them in the discussion about the hearings, but I did not follow the hearings or discussion in the papers.

Senator LEVIN. Do you know what the subject of the hearing was?

Mr. PYATT. Yes, the subject of the hearing was a continuing series of reraising the Electric Boat issues.

Senator LEVIN. Are there any pending claims by Electric Boat against the Navy?

Mr. PYATT. No.

Senator LEVIN. Is this the report which you are interested in reading?

Mr. PYATT. The issues for Electric Boat have been primarily taken over by the Navy counsel. I support them in their primary responsibilities. I have other things to do to execute the budget and that has been my primary focus.

Senator LEVIN. I am not sure you answered my question.

Mr. PYATT. There are so many hours in the day. I would not put it high on my priority list.

Senator LEVIN. How low on your priority list would you put it?

Mr. PYATT. So far I have not read it.

Senator LEVIN. Would you be willing to read it if you had a copy?

Mr. PYATT. As I said, I would not put it high on my priority list.

Senator LEVIN. You are not inclined to read it?

Mr. PYATT. No, but I will if you ask.

Senator LEVIN. It was rather unusual to have Mr. Hidalgo today. I welcome him. Since he was mentioned in the report, I am wondering if I might ask him whether he was invited to testify at that Joint Economic Committee hearing.

Mr. HIDALGO. I was not.

Senator LEVIN. I don't want to go beyond that.

Mr. HIDALGO. With respect to all these fantasies that have appeared in the press, in the Washington Post today, there is a reply by me.

Senator WARNER. Mr. Chairman, I ask that that reply in the Post be incorporated in the record.

Senator GOLDWATER. It will be included.

[The article follows:]

[From the Washington Post, July 31, 1984]

THE GENERAL DYNAMICS "BAILOUT": A REPLY

I count my four years of service as assistant secretary and later secretary of the Navy as the proudest in my life. Recent columns by Jack Anderson ["Hill Probing Hidalgo Role in Firm Bailout," July 26] and charges by Sen. William Proxmire's staff have concoted an offensively inaccurate fantasy about a worthwhile accomplishment in those years. Because I was the public official directly involved, I would like to set the record straight about what really happened in the 1978 settlement of the claims against the Navy by its principal submarine supplier, General Dynamics Corporation.

When the Harold Brown team took office in the Pentagon in 1977, one of our top priorities was to untangle the longstanding dispute over cost overruns that had accumulated in the Navy's attack submarine program during the early 1970s. General Dynamics blamed design changes, delays and other disruption by the Navy. The Navy blamed inefficiency and mismanagement by General Dynamics. Both were partly right. A further crucial element, beyond the control of both parties, was the double-digit inflation in the mid 1970s.

General Dynamics in 1977, faced with unreimbursed costs in the submarine program of $345 million plus an estimated future shortfall of $15 million per

month, finally threatened to stop all submarine production, and to tie the dispute up in litigation that could last for years. A halt in production would have been devastating to the Navy's defense mission. And government lawyers advised that, based on past experience in similar litigation, the ultimate damage and costs from court action were likely actually to exceed the amount of the claims.

I refused to negotiate unless General Dynamics consented to lay bare all its internal corporate books. It did so. Then an independent audit by the national accounting firm of Coopers & Lybrand, retained by the Navy at my direction, confirmed the projected overrun as $843 million. Of that amount, a Navy board conceded that $125 million was clearly owing to General Dynamics under the existing contracts. That left $718 million in dispute.

After months of tough negotiations—in which I was denounced more than once by General Dynamics as unfair and intransigent—General Dynamics and the Navy agreed, in the final hours of the negotiations in early June 1978, to split the anticipated loss down the middle. General Dynamics continued submarine production and absorbed a loss of $359 million, the largest in corporate history.

The terms of the settlement were gone over with a fine-tooth comb by Congress' own General Accounting Office and by the staffs and members of several congressional committees. After extensive hearings, all the congressional committees agreed that the Navy's proposed settlement was clearly in the best interests of the United States, and Congress approved it. (Sen. Proxmire opposed the settlement then as he does now.)

No one ever claimed that the settlement was necessary as a "bailout" to save General Dynamics from bankruptcy, nor was this a requirement of P.L. 85–804, as Jack Anderson alleges. The Navy witnesses explicitly told Congress that bankruptcy was not an issue. The long record of congressional testimony in 1978 is crystal clear on that point.

Mr. Anderson's reference to "a $1 billion bailout of the company" is a figure created out of thin air, with no relation to reality. The settlement was $359 million, plus the $125 million the Navy concededly owed within the four corners of the existing contracts.

My consultant work for the international division of General Dynamics beginning in November 1981 (11 months after leaving the Pentagon) arose from my 30 years' experience as a Spanish-speaking international lawyer familiar with the Spanish situation. I made three trips to evaluate prospects for the sale to Spain of the F16, an Air Force fighter aircraft. There was no conceivable conflict with my prior position with the Navy. Mr. Anderson's innuendoes to the contrary are contemptible.

I consider my role in obtaining resolution of the shipbuilding claims, at a cost to the taxpayer far less than if they had continued to grow and fester, as a substantial service I was privileged to perform for the Navy. I was asked to join the Navy team, as an experienced negotiator, with a mandate to seek a solution consonant with our national defense and responsible management. This was my sole criterion. It was achieved.

EDWARD HIDALGO,
Washington.

Senator LEVIN. I have no objection to it. These allegations have been very prominent.

So that the report then is complete, I would make reference to the specific document so that everybody who reads this report will know what I am talking about. That was the summary of a document relating to the Navy's shipbuilding and Electric Boat Division of General Dynamics, presented to the Subcommittee on International Trade, Finance, and Security Economics of the Joint Economic Committee by Richard S. Kaufmann on July 25, 1982.

That is the specific report I made reference to in my questioning to Mr. Pyatt.

Mr. Pyatt, we submitted some questions to you; I believe you received them only yesterday, indeed if you received them at all, relative to the status of the TA–KX and T–5 lease charter program.

Have you received those questions?

Mr. PYATT. We received them late last night.

Senator LEVIN. Have you had a chance to prepare replies to them?

Mr. PYATT. I would like to submit them for the record.

Senator LEVIN. That is fine. We didn't give you very much time to answer.

How long would it take to submit those answers?

Mr. PYATT. Whenever the call comes out for the record, we will be prepared.

Senator LEVIN. Mr. Untermeyer, just a question for you relative to the issue of the PC–3 ASW patrol aircraft.

Are you familiar with that issue and of the need of the Reserves for those aircraft?

Mr. UNTERMEYER. I am not as prepared to answer that question as I will be in the future. If I may take a specific question, I will be glad to submit the answer for the record.

Senator LEVIN. Earlier this year, Navy witnesses told the House Armed Services Committee that the Navy did not need more than five of those PC–3 aircraft and that was for 1984, despite the fact that the President's budget sought nine and despite the fact that an annual procurement level above nine is needed in order to continue the process of modernizing the Naval Reserve patrol squad.

So that the President's budget asked for nine. You need at least nine or more if the Reserve squadrons are going to be modernized. We had the active Navy witnesses testifying that all the Navy needed was five.

Are you going to be an advocate for the Reserves even though the active Navy witnesses might take a different position?

Mr. UNTERMEYER. Without commenting specifically on that PC–3, if you would like, I would be glad to submit that for the record. The answer to your question is that, yes, I will be an advocate for modernizing our Reserves Forces, not just in air, but ground and also vessels.

That is a commitment to make sure that the Reserves are more than just paper units. Insofar as we are talking about particular numbers, however, I am not prepared at this time to speak.

Senator LEVIN. This committee and others have added funds in the past to place the aging cargo aircraft in the Naval Reserve Fleet Logistics Support Squadron fast enough to prevent the deactivation of any of these squadrons.

We approved sufficient funds last year to accelerate this replacement program, but not enough used DC–9 type aircraft apparently are available. Because of this problem, our committee in its 1985 authorization bill asked the Navy to develop and evaluate other alternative modernization plans and to report back to us by November 1984.

Almost all the squadrons lose their aircraft by early next year so this matter is urgent.

My question of you is whether or not you will give this replacement program your personal highest priority attention so that we can find alternative aircraft or enough DC–9's to save all of the existing squadrons?

Mr. UNTERMEYER. I can say in reply to that, sir, that I have already paid a great deal of attention to the DC–9 issue. We have had a

request for proposal out for several months. I have not checked as recently as this week. As of last week, I was told we are in the process of picking up four additional DC–9's which are meeting our schedule.

The difficulty, as you recognize, is that with the revival of the economy and the popularity of airline travel again, many new smaller carriers are competing with us for the DC–9's. It is difficult for that reason.

Of course, when planes come on the market, we have to make sure they are good and reliable. So, that issue has met with my review and it will continue to be of importance because of the expansion of the Reserves and of the need to get to their duty stations reliable and fast aircraft.

Senator LEVIN. My question is whether or not you would give this replacement program your personal highest priority attention so that we can find alternative aircraft or other DC–9's to save all the existing squadrons?

Is that your intention?

Mr. UNTERMEYER. Certainly it is our intention to pursue that program.

With regard to the question whether it is the highest priority among others, frankly, I am not prepared to say because there are other important ones such as the Naval Reserve Frigate Program in which we are bringing on line new ships to meet the Reserves' needs.

But they all work together. You certainly have my commitment, in fact, my record already in the few months I have been acting, to pursue this program.

Senator LEVIN. Rephrasing my question, will it have your high priority attention, but the operative words in my question are to find the aircraft to save all of the existing squadrons? Will that have your high priority?

Mr. UNTERMEYER. Yes, sir.

Senator LEVIN. Mr. Chairman, I may have some additional questions for the record, but I would not want that to hold up our voting out these nominations.

I would like the opportunity to submit some additional questions to both these gentlemen.

Senator GOLDWATER. Certainly.

Senator Nunn?

Senator NUNN. I have no questions.

Senator GOLDWATER. I have two questions from Senator Thurmond. One to Mr. Untermeyer which I think you have just answered.

The Navy has been the most reluctant service when it comes to committing resources to its Reserve component.

What are you views on strengthening the role of the Naval Reserve within the total force?

Mr. UNTERMEYER. I am glad to have a chance to answer that because as the gentlemen of this committee know, earlier this year the Navy Department submitted a plan for the total force involving the Navy and Marine Corps. It is more than just a document. It was a sincere commitment to make, as I said earlier, the Reserves more than just a paper portion of our Nation's defense.

If I didn't feel this way, I would be made to do so because my boss is not Secretary John Lehman so much as he is Comdr. John Lehman, U.S. Naval Reserve. He is very much committed to this. I know that if I didn't recognize that, myself, he would make sure I did, plus the fact that it is important and because of the fact that our Nation's Navy and Marine Corps have increased its strength in its Reserve.

By getting the best planes and ships we have available while taking care of our Active Forces, we are fulfilling the Nation's needs for better defense and also to bring into our Navy the quality that reservists do bring, given the variety of their experiences in the civilian world.

Senator GOLDWATER. Thank you.

I might just comment, while I certainly don't want to disagree with my colleague from South Carolina, I spent many, many years in the Reserves and it was always our observation that the Navy did the best job in providing equipment, et cetera, for the personnel. They were always envious of the Naval Reserve.

Mr. UNTERMEYER. Thank you, Mr. Chairman.

Senator GOLDWATER. Mr. Pyatt, a question from Senator Thurmond.

In recent years there have been attempts to change the division of ship overhaul work between public and private yards.

What are your views on the current pocedure and do you feel it should be changed?

Mr. PYATT. No, sir; the current procedures over the last decade or so that I know provided an opportunity for Navy yards and the private sector to each get a share of the work. In that process we are currently running about 62 or 63 percent of the work done in Navy yards and the remainder in the private sector.

I would not support legislative changes. I would oppose them.

Senator GOLDWATER. Thank you very much.

Gentlemen, we thank you for coming before us. Later we will pass on your nominations.

Again, thank you. You can be excused.

Mr. PYATT. Thank you very much.

Senator GOLDWATER. The committee has before it today the nominations of Ann S. Peterson and M. Robert Hill, Jr., to be members of the Board of Regents of the Uniformed Services University of the Health Sciences.

This is a part-time position, and it has been our committee practice not to require the appearance of nominees for these positions before the committee.

[The nomination reference and biographical sketch of Ms. Peterson and Mr. Hill follow:]

NOMINATION REFERENCE

SENATE OF THE UNITED STATES,
April 19, 1984.

(Under authority of the order of the Senate of April 13, 1984.)

Order, That the following nomination be referred to the Committee on Armed Services:

Ann S. Peterson, of Illinois, to be a Member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring June 20, 1989, vice Robert Higgins Ebert, term expired.

BIOGRAPHICAL SKETCH OF ANN S. PETERSON, M.D.

Date and place of birth: October 11, 1928; Rhinebeck, New York.

EDUCATION

Rhinebeck Central High School, Rhinebeck, New York, 1942–46.
Trinity College, Washington, D.C., 1946–47.
Cornell University, Ithaca, New York, A.B. degree, 1947–50.
Cornell University Medical College, New York, New York, M.D. degree, 1950–54.
Massachusetts Institute of Technology, Sloan School of Management, Cambridge, Massachusetts, M.S. degree, 1979–80.

Postgraduate training

Internship and Assistant Residency in Medicine, Second (Cornell) Medical Division, Bellevue Hospital, New York, New York, 1954–57.
Fellowships in Medicine and Physiology, Memorial Sloan-Kettering Cancer Center, New York, New York, 1957–60.
Investigator in Physiology, United States Army Medical Research Laboratories, Fort Knox, Kentucky, 1960–61.

PROFESSIONAL EXPERIENCE

Associate director, Division of Medical Education, American Medical Association, 1983–Present

Responsibility under the director for the fiscal management and administration of a division whose 97 employees are assigned to seven departments which handle a wide variety of educational activities including: (1) accreditation of medical schools, postgraduate medical residency programs, and allied health educational programs; (2) A.M.A. sponsored continuing medical education programs; (3) publication of educational directories; and (4) collection, analysis, and publication of data on medical licensure and on medical and allied health educational institutions and programs.

Associate dean, Cornell University Medical College, 1980–83

Major responsibility for initiation and organization of the Long Range Planning Program of The New York Hospital-Cornell Medical Center. Member of executive committee and task forces. Author of task force reports and reports for governing boards and the foundation which supported the Program. Guided departmental planning, and engaged in institutional long range financial planning and in architectural master planning. Major responsibility for writing the Faculty Practice Plan, and for developing the policies and structure of the Plan. Supervised the Faculty Affairs Office and the Office of Life Safety. Coordinated the development of College guidelines for cooperative research with industry and negotiated contracts between faculty investigators and industry and private foundations. Coordinated College legal affairs for the University attorney's office. Assisted the University patent office in patent and licensing management at the College. Directed searches for major administrative appointees, prepared fundraising proposals, and assisted the Dean in the establishment of policy and in administrative decisions relating to faculty development, facilities management, fringe benefit enhancement, malpractice insurance, and housing.

Associate dean, Columbia University College of Physicians and Surgeons, 1972–79

Organized and directed the academic office for student affairs responsible for program planning, academic evaluations, counselling, and career planning. Served on the admissions, curriculum and promotions committees of the College and participated in the formulation and execution of policies developed by these committees. Advisor to the Dean and faculty on medical education and evaluation.

Assistant dean, associate dean, University of Illinois College of Medicine 1969–72

Major responsibilities were identical to those at Columbia University. Participated also in the design and implementation of an independent study program in medical education.

Assistant director, Clinical Research Unit, Georgetown University School of Medicine, 1962–69

Major responsibility for the physical design, organizational structure, and staffing of a sixteen-bed unit with supporting laboratory and metabolic kitchen. Supervised the daily operation of the unit and participated in the selection of research projects and in the development of policies and operational guidelines. Prepared grant applications, served as liaison with hospital administration and with staff of the National Institutes of Health, developed annual budgets, and managed finances of the unit.

FACULTY APPOINTMENTS

Instructor in Medicine, Georgetown University School of Medicine, 1962–65.

Assistant Professor of Medicine, Georgetown University School of Medicine, 1965–69.

Associate Professor of Medicine, University of Illinois College of Medicine, 1969–72.

Associate Professor of Medicine, College of Physicians and Surgeons, Columbia University, 1972–80.

Associate Professor of Medicine, Cornell University Medical College, 1980–83.

HOSPITAL APPOINTMENTS

Attending Physician, Georgetown University Hospital and Georgetown Medical Division of District of Columbia General Hospital, 1962–69.

Assistant Director, Clinical Research Unit, Georgetown University Hospital, 1962–69.

Attending Physician, the University of Illinois Hospital, 1969–72.

Associate Attending Physician, the Presbyterian Hospital of the City of New York, 1972–80.

MEDICAL SCHOOL APPOINTMENTS

Georgetown University School of Medicine, 1962–69.—Member of Advisory Committee and Study Committee of Clinical Research Unit; member of Interview Committee of the Committee on Admissions of the School of Medicine; chairperson, Classroom Utilization Committee of the School of Medicine; secretary, Committee on Education of the School of Medicine; member of Internship Committee, Department of Medicine; course director, Junior Clinical Clerkship, Department of Medicine; and course director, Sophomore Basic Clinical Concepts, Department of Medicine.

University of Illinois College of Medicine, 1969–72.—Member: College Executive Committee, College Committee on Promotions, College Committee on Admissions, College Committee on Awards and Scholarships, College Committee on Appraisal, and Advisory Committee Independent Study Program.

College of Physicians and Surgeons, Columbia University, 1972–80.—Member: Committee on Admissions, Promotions Committees, Student-Faculty Advisory Committee, and Faculty Council. Chairperson, College Committee on Financial Aid.

Cornell University Medical College, 1980–83.—Member: Executive Faculty Council and General Faculty Council.

Specialty Board certification

American Board of Internal Medicine.

Medical licensure

New York State and the District of Columbia.

Honorary societies and professional honors

Alpha Epsilon Delta Premedical Honor Society.

Mortar Board (National Senior Women's Honor Society).

Alpha Omega Alpha Honor Medical Society.

John and Mary R. Markle Scholar in Academic Medicine.

Alfred P. Sloan Fellow, Massachusetts Institute of Technology, 1979–80.

Who's Who of American Women, Who's Who in the East, Who's Who in Health Care.

SCIENTIFIC SOCIETIES AND PROFESSIONAL ORGANIZATIONS, MEMBERSHIP AND OFFICES

American Medical Association.
American Federation for Clinical Research.

American College of Physicians (Fellow).
Association of American Medical Colleges (AAMC)

Member, Central Group on Student Affairs, 1969–72.
Member, Northeast Group on Student Affairs (NEGSA), 1972–79; Executive Committee, NEGSA, 1975–79; Secretary, NEGSA, 1975–76; Vice-Chairperson, NEGSA, 1976–77; Chairperson, NEGSA, 1977–78.
National Group on Student Affairs, Member, Steering Committee, 1976–79; Chairperson, Nominations and Rules Committee, 1977.
Chairperson, Working Group AAMC, Application Process for Graduate Medical Education, 1977.
Member, Working Group on Transition, National Task Force on Graduate Medical Education, 1978.
Member, National Task Force on Graduate Medical Education, 1978–80.
Member, Special Advisory Panel on Technical Standards for Medical School Admission, 1978.

ADDITIONAL PROFESSIONAL ACTIVITIES

Member, Medical School Accreditation Teams, appointed by Liaison Committee on Medical Education, American Medical Association and the Association of American Medical Colleges 1975–78.
1975—University of Sherbrooke, Quebec.
1976—University of Cincinnati College of Medicine.
1977—Laval University Faculty of Medicine, Quebec.
1978—Medical College of Wisconsin.
Appointment, Assistant Secretary of the Liaison Committee on Medical Education with responsibility for accreditation site visits at:
1978—Duke University School of Medicine.
1980—Meharry Medical College.
1982—University of Texas, San Antonio.
1983—University of Washington School of Medicine.
1983—Loyola University Stritch School of Medicine.
Consultant and Member, Admissions Committee, Sackler School of Medicine, Tel Aviv University, New York State Program, 1976–83.
Participant (by invitation), Executive Development Seminar, Management Advancement Program, Association of American Medical Colleges, 1978.
Member, Board of Trustees of the Medical Library Center of New York, 1982–83.
Chairperson, New York State Education Department Survey Team, American University of Caribbean, Montserrat, West Indies, 1983.

PUBLICATIONS

Vanamee, P., Lawrence, W., Levin, S., Peterson, A., and Randall, H.T. Further observations on postgastrectomy steatorrhea: The effect of high carbohydrate intake and of hydrochloric acid administration on fat absorption. Annals of Surgery. 150: 517–528, 1959.
Lawrence, W., Vanamee, P. Peterson A. McNeer G., Levin, S., and Randall H.T. Alterations in fat and nitrogen metabolism after total and subtotal gastrectomy. Surgery, Gynecology and Obstetrics. 110: 601–617, 1960.
Gidekel, L.I., Sherlock, P., Peterson, A.A. and Vanamee, P. Management of refractory fluid retention with a combination of L-arginine monohydrochloride and mercurials. The New England Journal of Medicine. 263: 221–226, 1960.
Marcus, F.I., Peterson, A.S., Salel, A.F. Metabolism of tritiated digoxin in renal insufficiency. Circulation, Suppl. III, 121, October, 1964.
Marcus, F.I., Peterson, A.S., Salel, A., Scully, J., Kapaida, G.G. The metabolism of tritiated digoxin in renal insufficiency in dogs and man. Journal of Pharmacology and Experimental Therapeutics. 152: 372–382, 1966.
Peterson, A. Georgetown University Medical Center—Profile. Resident Physician, October, 1967.
Peterson, A.S. Federal Reliance on Private Voluntary Accreditation: 1952–79. Unpublished thesis. Massachusetts Institute of Technology, 1980.

NOMINATION REFERENCE

AS IN EXECUTIVE SESSION,
SENATE OF THE UNITED STATES,
May 21, 1984.

Order, That the following nomination be referred to the Committee on Armed Services:

M. Robert Hill, Jr., of California, to be a Member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring June 20, 1989, vice Eugene M. Farber, term expired.

BIOGRAPHICAL SKETCH OF M. ROBERT HILL, JR.

Education

La Sierra College, graduate 1943 (Bachelor of Science 1945).
Loma Linda University, Medicine, 1947 (M.D.).

Military service

1943–46—U.S. Army specialized training Pfc. Med School.
1948–50—U.S. Air Force, Flight Surgeon, captain.

Internship

Rotating, Los Angeles County General Hospital 1946–47.

Residency—Fellowships

1947–48—Fellow in Pathology, Loma Linda University, Loma Linda, California.
1951–53—Assistant Resident in Surgery, Wadsworth VA Hospital, Los Angeles, Calif.
1953–55—Assistant Resident in Surgery, The New York Hospital, New York.
1955–56—Resident Surgeon, The New York Hospital, New York City.
1956–58—Fellow in Colon and Rectal Surgery, M.R. Hill, Sr., M.D. 1930 Wilshire Blvd., Los Angeles, Calif.

Teaching appointments

1952—Assistant in Surgery, UCLA School of Medicine, Los Angeles, Calif.
1954–55—Assistant in Surgery, Cornell School of Medicine, New York City.
1955–56—Instructor in Surgery, Cornell School of Medicine, New York City.
1957—Clinical Instructor in Surgery, Loma Linda University, Loma Linda, Calif.
1958–61—Clinical Instructor in Surgery, UCLA School of Medicine, Los Angeles, Calif.
1957—Junior Attending Surgeon, Los Angeles County General Hospital.
1959–60—Attending Clinic Surgeon, St. Johns Hospital, Santa Monica, California.
1961—Attending Surgeon, Wadsworth VA Hospital, Los Angeles, California.
1961—Attending Surgeon (Vascular Clinic), Wadsworth VA Hospital, Los Angeles, Calif.
1977—Attending Consultant, Martinez VA Hospital, Martinez, Ca (Vascular/General).
1977—Assistant Clinical Professor Surgery, University of California, Davis.

Hospital staffs

1958—Santa Monica Hospital, Santa Monica, California, Associate Surgeon.
1957—St. Johns Hospital, Santa Monica, California, Courtesy, Surgeon.
1956—California Hospital, Los Angeles, California, Associate Surgeon.
1957—Good Samaritan Hospital, Los Angeles, California, Courtesy, Surgeon.
1958—UCLA Medical Center, W. Los Angeles, Calif., Visiting Staff Surgeon.
1962—Mt. Diablo Medical Center, Concord, Calif., Active Staff, Surgeon.
1963—Children's Hospital of the EastBay, Oakland, Ca., Courtesy Staff, Surgeon.
1967—John Muir Memorial Hospital, Walnut Creek, Courtesy, Surgeon.

Licenses

California, 1947—A 12313.
New York, 1954—74473.

Boards

American College of Surgeons, October, 1961.
American Board of Surgery, September 15, 1959.

Societies

1956—American Medical Association, rejoined 1963.
1956—California Medical Association, rejoined 1963.
1956—Los Angeles County Medical Association.
1959—Bay District Surgical Society, Santa Monica, California.
1961—Los Angeles Surgical Society.
1963—Alameda-Contra County Medical Association, Oakland, California.
1976—Society for Clinical Vascular Surgery.

Senator GOLDWATER. I would entertain a motion that the nominations of these two individuals be favorably reported and that the absent members of the committee be polled until 5 p.m. today.

Senator EXON. I so move.

Senator GOLDWATER. Without objection, that will be done.

Now there are pending before the committee and eligible for consideration today 5,525 routine military nominations. These have been before the committee for the required 7 days and no objections have been raised.

I am prepared to entertain a motion that these nominations be ordered favorably reported by the committee to the Senate, and that a poll of absent members be taken until 5 p.m. today.

Mr. EXON. Mr. Chairman, I so move.

Senator GOLDWATER. Without objection, it is so ordered.

Now, one more piece of business. The committee had originally planned to consider the intelligence authorization bill, S. 2713, at today's meeting. Because of several schedule changes, that item was removed from the agenda of this meeting and it was the intention of the chairman to consider that bill before a meeting of the conference committee.

However, it now is uncertain when the conference will next meet, and there may not be a conference meeting prior to August 3 when the sequential referral to S. 2713 to the Committee on Armed Services expires.

The chairman of the committee, Senator Tower, has asked me to announce that unless there is objection, it is his intention to ask that a poll be taken of the members of the committee on reporting S. 2713 without amendment.

If any member objects to the poll, wishes to offer an amendment to S. 2713, or wishes the committee to discuss that matter, the Chairman has asked me to announce that he will then convene a meeting of the committee to consider and act on S. 2713.

In addition, the staff of the committee is available to meet with any Senator who wishes further information on this bill. If there is no objection, the matter will be polled until 5 p.m. today.

Senator EXON. Mr. Chairman, the only thing I have that one member on this side who possibly would like some further information today. We anticipate no trouble, but reserving the right to object to what you have just said——

Senator LEVIN. May I make a suggestion, which I think will carry out what you are trying to do. That everybody on the committee be informed of this process and then if there is no request by, say, noon tomorrow, then at 5 p.m. tomorrow we be polled.

Senator EXON. I think that would meet the interest of the one Senator that I was advised had some questions.

Senator GOLDWATER. There is no problem with that. This is a very, very complicated budget. I was ready to ask the chairman of the Intelligence Committee to appear and explain it, but thanks to your suggestion, we can do it this way.

If you would inform the member that we have available to him at any time a complete briefing from the Intelligence Committee and from our own staff. I will ask the staff to proceed on the basis that has been suggested by Senator Levin.

[Senate Concurrent Resolution 75 and statement by Senator John Warner follow:]

[S. Con. Res. 75, 98th Cong., 1st sess.]

Concurrent Resolution Favoring a National Museum of the United States Army

Whereas there is no national central repository for the military material culture of this Nation which has been forged through periods of peace and war by the patriotism, sacrifice, and ingenuity of the men and women of this Nation who have come from all walks of life and from diverse races, religions, and creeds;

Whereas the establishment of a historical museum will provide for the preservation of the spirit and heroism in telling a story of the United States Army that extends from the tragic tolls of the battlefields, from the frontiers of science and the wilderness, from the development of industry and medicine, and from the conquering of man's baser instincts to a negotiation of nature's wrath unleashed;

Whereas the history of the United States Army cannot be separated from the history of the Nation and the Nation's senior service stands alone among the Armed Forces of the United States in not having a national museum to tell its story and among the armies of the leading powers of the world in not having a museum;

Whereas there is no central point of access to the United States Army's heritage for both the military and civilian populations and such access could tell, for the first time, the story of the United States Army in peace and war as well as be a forum for the education, inspiration, and edification of those persons seeking knowledge of the United States Army;

Whereas a national museum of the Army would be a museum not of war but of people from diverse parts of the country and diverse ethnic backgrounds, colors, and creeds who responded, when called to act for their Nation in its darkest hours, and who prevailed; and

Whereas the National Museum of the United States Army would promote an interest in the understanding of the land forces of this Nation among the citizenry, soldier and civilian, present and future; it is hereby

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Congress should encourage the historical preservation of the Nation's material culture and provide for the education of its citizens in the rich heritage that is theirs by the struggles of their forebears; that the Congress should recognize the contributions in both peace and war made to this heritage by the land service of this Nation; and that the Congress should encourage the establishment of the National Museum of the United States Army.

STATEMENT BY SENATOR JOHN WARNER BEFORE THE SENATE ARMED SERVICES COMMITTEE SUPPORT OF S. CON RES. 75

I take this opportunity to express my total support for this resolution which I have cosponsored with my friend and colleague, the Senator from Vermont, Mr. Leahy.

The United States Army, our nation's senior service, is alone in not having a national museum.

With the recently renovated U.S. Navy Museum joining the facilities of the U.S. Marine Corps Historical Center in Washington, and the U.S. Air Force's

complex in Dayton, it is only appropriate that the U.S. Army have a similar facility.

While serving as Secretary of the Navy, I took an active role in the establishment of the U.S. Marine Corps Museum at the Navy Yard here, where there is also located a principal repository of Navy artifacts in the Navy Museum.

Not only is such a museum needed for those interested in learning more about the history of the Army, but it is also needed in order to provide for the proper storage and exhibition of the art collection and historical material from the Army's past.

The estimated $7 million required to build the museum, which would be located at Fort Myer, Virginia, will be raised from private sources by the Army Historical Foundation, a non-stock charitable corporation founded to promote the historical contributions of the U.S. Army.

This museum will tell the story of the U.S. Army in both peace and war.

Through the collection and exhibition of representative examples of military material culture, the museum will illustrate and document the long, colorful history of the Army.

It is appropriate to build this new museum at Fort Myer, Virginia, the Army's post in Arlington, since it is within minutes of some of our nation's most revered monuments and is centrally located for the benefit of the millions of tourists who visit the nation's capital each year.

I urge each of my colleagues to support this resolution.

The U.S. Army has played a major role in the development of our nation, and it is only fitting that the Congress indicate its support for such a museum.

Senator GOLDWATER. Senator Warner has requested that the committee favorably report Senate Concurrent Resolution 75 favoring the establishment of a National Museum of the U.S. Army. I know about this request. It has been on board for some time. I don't think it has any cost to the Government.

It is a resolution recognizing the need for a National Museum of the Army. I might say that the Navy now has one, the Air Force has one, Intelligence has one, not that they are being constructed very fast because money is not too available. But I would like to see this passed in the interest of Senator Warner.

Any objection?

Senator EXON. No objection as far as I know of on this side.

Senator GOLDWATER. Senator Warner has amended his own report. I can't tell you how. Just a change of a few words.

The amendment intended to be proposed follows:

PURPOSE: TO MAKE PERFECTING CHANGES TO SENATE CONCURRENT RESOLUTION 75

[Intended to be proposed by Senator Warner]

Viz: Amend the text of the resolution to read as follows:

It is hereby *Resolved by the Senate (the House of Representatives concurring)*, that the Congress hereby encourages the historical preservation of this Nation's military material culture and the education of its citizens in the rich heritage that is theirs as a result of the brave deeds of the military land forces of the United States that the Congress should recognize the contributions made to this heritage by the land force of this Nation in both peace and war; and that the Congress should encourage the establishment of a National Museum of the United States Army.

Amend the preamble to read as follows:

Whereas the United States Army has served our country in every war, standing ready in times of peace, deterring war when possible, and when called upon, fighting with great courage, devotion, and professional skill;

Whereas the United States Army is our only military service which has no National Museum to display the history of its military land forces; and

Whereas a spirit of patriotism and honor is fostered by study of military history and individual valor;

Whereas a National Army Museum is needed to foster pride, record the outstanding deeds and accomplishments of the brave men and women who have served in the United States Army, and to serve as a living memorial to the service and dedication of all the men and women who have nobly served in the United States Army in peace and war;

Whereas a National Museum of the United States Army would help and preserve interest and respect in the military land forces of this Nation.

Senator EXON. I believe the word changes were in regard to its being constructed in Nebraska. [Laughter.]

Senator GOLDWATER. That is a very great Army State. In fact, I have a cousin who is president of the West Point Association who was born in Nebraska.

Senator EXON. That is reason enough.

Senator GOLDWATER. We will establish a Navy Museum in Arizona.

Senator Exon, did you want to express an interest in an executive session?

Senator EXON. Yes, I think we should meet in a short effective session, Mr. Chairman.

Senator GOLDWATER. The committee will recess and all those not cleared will leave the room and we will go into executive session.

I thank all of you for coming.

[The questions submitted by the Senators of the Senate Armed Services Committee to be answered for the record follow:]

QUESTION SUBMITTED BY SENATOR CARL LEVIN

SUBMARINE LASER COMMUNICATIONS PROGRAM

Senator LEVIN. Dr. Cooper, is it not true that there still remain sufficient funds which remain unobligated in other parts of the DARFA program which you could reallocate to the blue-green program?

Since it may be unlikely you can use these funds for their original purpose before fiscal year 1984 expires, and since it is clear they can be used productively in the blue-green program in this same time, why won't you allocate them to the blue-green program as Congress intended?

Mr. COOPER. The DARPA Submarine Laser Communications Program is being supplemented with $4 million fiscal year 1983 funds withdrawn from other DARPA research programs. These funds will be added to the $26 million fiscal year 1984 funds currently provided to the program.

Senator LEVIN. Dr. Cooper, please provide a list of unobligated fiscal year 1984 and fiscal year 1983 funds which remain unobligated as of today and those which would remain available, unobligated through December 31, 1984, to permit you to obligate the additional $4–$5 million in fiscal year 1984 funds to the blue-green laser program by that date, as you have said you will do.

Mr. COOPER. DARPA funds its R&D programs through approximately 70 Military Service Agents throughout the country. It would be a major effort to provide the information on status of obligations as requested. The above answer to the first question appears to obviate the need for completing the answer to this question.

Senator LEVIN. We intend to add $10 million to the program in fiscal year 1984.

How can we be confident there will not again be a misunderstanding in DARPA about Congressional intent to accelerate the blue-green program?

Mr. COOPER. DARPA will comply with congressional direction as stated in Authorization and Appropriation Acts and supporting Conference reports to the best of its ability and prudent program management.

Senator LEVIN. Mr. Untermeyer, the Reserves often are given short shrift by the active forces in the budget battles within the Pentagon. The Navy has been no exception in the past and it often has been left to the Congress to protect the interests of the Naval Reserve, along with help from some of the outside support groups, like the Naval Reserve Association. How do you intend to reverse the situation?

Mr. UNTERMEYER. I am very aware of the role and needs of the Naval Reserve and share your concern for their well being. The Navy is committed to a stronger Naval Reserve. More interest, time, and money is presently being focused on the manning, equipping and management of the Naval Reserve than at any other time. I fully support this emphasis and intend to take every opportunity to champion the cause of a stronger Naval Reserve both in increased mission areas and responsibilities.

Senator LEVIN. Mr. Untermeyer, will you meet regularly with representatives from the Navy Reserve Association and the other groups supporting a strong, modernized Naval Reserve?

Mr. UNTERMEYER. Shortly after assuming my office, in June 1983, I met with representatives from the Naval Reserve Officers Association, the Fleet Reserve Association, the Naval Enlisted Reserve Association and the Marine Corps Reserve Officers Association, along with several others. Additionally my Deputy Assistant for Reserve Affairs has for some time met regularly with representatives from all of these organizations, and both he and I will continue to do so. I am well briefed on the issues raised in these meetings and their highly constructive dialogue; and I took forward to their continuation throughout my tenure.

FORCE MODERNIZATION

Senator LEVIN. Mr. Untermeyer, just a question for you relative to the issue of the PC–3 ASW patrol aircraft.

Are you familiar with that issue and the need of the Reserves for those aircraft?

Mr. UNTERMEYER. The Reserves now have two P–3C update II aircraft at the Master Augment Unit (MAU), Brunswick, ME. Additional P–3Cs will be placed in Moffett Field, CA and Jacksonville, FL MAUs.

At an economical buy rate of nine P–3Cs per year, the Reserves will form their first P–3C squadron in 1991. By the year 2000, the reserve force will consist of nine P–3C squadrons and four heavyweight P–3B squadrons. The life of 30 P–3B lightweights must be extended five years to accomplish the year 2000 goal without a reduction in force level.

At a procurement rate of five P–3Cs per year, the Reserves will form their first P–3C squadron in the late 1990's. To maintain a level force of thirteen squadrons the life of 30 P–3As, 62 P–3B lightweights and 36 P–3B heavyweights must be extended for approximately ten years.

In the interim, the P–3 reserve force will receive several improvement modifications. Five of thirteen squadrons (39%) are flying TACNAVMOD equipped aircraft with four squadrons presently in transition. Accoustic processing enhancements planned include additional triple vernier assets as well as DICASS and Localization improvements. Current technology FSM systems (ALR–66), teletypewriters (AGC–9), Magnetic Tape Transports (RD–461), Infrared Detection Systems (IRDS) and new VHF radios are ongoing reserve modernization programs.

TAKX AND T–5 LEASE/CHARTER PROGRAMS

Senator LEVIN. Please provide for the committee in detail the current cost estimates on the TAKX and T–5 lease/charter programs and the estimated total cost of the programs at this time.

Mr. PYATT. The current cost estimates on the TAKX and T–5 lease/charter program are as follows:

Current cost estimate

	Millions
TAKX program:	
Total capital hire cost	$5,753
Total operating hire cost	3,010
Total	8,763
T–5 program:	
Total capital hire cost	713
Total operating hire cost	453
Total	1,166

Senator LEVIN. Do the current estimated costs differ with the earlier estimates? And if so, how?

Mr. PYATT. The cost of the TAKX vessels is currently estimated at $552M less than earlier estimates to the Congress. The T–5 tanker program is estimated at $13M more.

Senator LEVIN. What effect have the rising interest rates had on the cost of these programs and what future effect will they have?

Mr. PYATT. Rising interest rates will increase the cost of these programs because the costs of the construction financing is tied to fluctuating short-term interest rates. In addition, the long-term financing cost is a function of interest rates since the rate at which fixed-rate debt can be placed at ship delivery is dependent upon the level of interest rates at that time. To insure that fixed rate debt is not placed at a time when rates are uncharacteristically high, the Navy has retained the flexibility of using floating rate for a period of time following ship delivery. This also permits the utilization of short term interest rates, currently about 10.6 percent, rather than long term fixed rates, currently 13.5 percent.

A one percent variance in interest rates results in an increase or decrease, as the case may be, in the total cost of the permanent financing for the TAKX and T–5 programs of approximately $356 million.

Senator LEVIN. What is the current status of construction and financing for these two programs?

Mr. PYATT. All TAKX ships are in the process of being converted. Three will be delivered prior to October 31, 1984. The T–5 tankers are all under construction. Construction financing is in place for all ships. Permanent financing is being finalized for each ship as it delivers. Bids have been received and accepted for permanent financing on all 18 ships.

Senator LEVIN. Have any IRS rulings affecting this program been issued? If so, what were they and what affect will they have? Are there still unresolved IRS issues that could affect the cost of the program and if so what are they?

Mr. PYATT. No IRS rulings relating to the program have yet been issued. Applications by the private parties for standard leveraged lease rulings remain pending and are expected to be granted as needed.

[Whereupon, at 11:05 a.m., the committee proceeded in executive session.]

[The nominations of Robert S. Cooper, James P. Wade, Jr., Everett Pyatt, Charles G. Untermeyer, Donald C. Latham, Robert W. Helm, Ann S. Peterson, and M. Robert Hill, Jr., were reported to the Senate by Senator Goldwater on August 1, 1984, with the recommendation that the nominations be confirmed. The nominations were confirmed by the Senate on August 2, 1984.]

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